Pfizer Inc

Employees: 88,300

Stock Exchange: New York Stock Exchange • Ticker: PFE • HQ: New York City, New York, United States •

PERFORMANCE IN THE 2021 INDEX

4th place. Pfizer performs strongly and is now in the top five of the Index. The company performs strongly in access strategies and capacity building as well as access planning during R&D.

Governance of Access: 5th place. Pfizer performs well in this area. It has embedded access to medicine into its corporate strategy, under the Purpose Blueprint, with CEO remuneration linked to access performance. The company has some compliance controls in place, yet lacks evidence of a continuous system to monitor activities.

Research & Development: 7th place. Pfizer performs above average in this area. Its performance in planning for access is better than in previous years, with a structured access planning process during R&D applied to all its projects in the pipeline. The majority of its late-stage R&D projects is covered by an access plan.

Product Delivery: 3rd place. Pfizer performs strongly in this area. The company has access strategies in place for the majority of its products and shares many IP assets with third-party researchers. The company engages in all areas of capacity building, with the majority of its initiatives meeting all Good Practice Standards.

OPPORTUNITIES FOR PFIZER

Improve access to key antibiotics. Pfizer could improve access to antibiotics such as ceftazidime/avibactam (Zavicefta®) and ceftaroline (Zinforo®) through equitable pricing strategies and filing for registration in more countries where the burden of lower respiratory tract infections is high such as Nigeria, Niger, Guinea, Burkina Faso, Sierra Leone, Somalia and Afghanistan.

Expand post-trial access policy. Pfizer can expand its post-trial access policy to include all patients who have received a clinical benefit from an investigational treatment and not on a case-by-case basis. Furthermore, the company can ensure product affordability.

Expand equitable pricing strategies to include more countries and products. Pfizer applies equitable pricing strategies for healthcare practitioner-administered products in LMICs and LMICs, but does not report implementing such strategies in LICs. For example, Pfizer applies a pricing segmentation strategy for palbociclib (Ibrance®) in Mexico and India through a patient assistance programme which assesses patients’ ability to pay and socio-economic status and offers tailored solutions (tiered discount, cap payments, free goods). Pfizer can expand this strategy to more countries, including LICs, and to more products.

Improve access plans for R&D projects during development. Currently, Pfizer has access plans in place for 67% of late stage priority projects and 70% of projects identified as having a clear public health benefit in LMICs have access plans. These plans range from plans to register products to considering equitable pricing strategies for some projects. It can expand access planning to more late-stage R&D projects such as the vaccines for meningococcal infections and for meningitis.
SALES AND OPERATIONS

Business segments: Biopharma
Therapeutic areas: Oncology; Inflammation & Immunology; Rare Disease; Hospital; Vaccines; Internal Medicine
Product categories: Innovative medicines; Generic medicines; Biosimilars; Vaccines
M&A news: In November 2020, completed the transaction to spin off its Upjohn Business and combined it with Mylan N.V. to form Viatris Inc. Combined its consumer health business into a JV (32% stake) with GSK in 2019. Acquired Array (oncology) for $1.4 billion USD and Theracron (rare diseases) in 2019.

Pfizer’s products are sold in 95 out of 106 countries in scope. Pfizer has sales offices in 23 countries, sells via suppliers in 28 countries and sells via pooled procurement into 44 additional countries.

Revenue by segment (2019) – USD

<table>
<thead>
<tr>
<th>Segment</th>
<th>USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biopharma</td>
<td>39.419bn</td>
</tr>
<tr>
<td>Upjohn</td>
<td>10.233bn</td>
</tr>
<tr>
<td>Consumer Health</td>
<td>2.098bn</td>
</tr>
<tr>
<td>Total</td>
<td>51.750bn</td>
</tr>
</tbody>
</table>

SAMPLE OF PIPELINE AND PORTFOLIO ASSESSED BY THE INDEX

PIPELINE for diseases and countries in scope
Pfizer has a total of 58 R&D projects in scope featuring an average-sized priority R&D pipeline compared to its peers: 22 projects. Remarkably, more than one third of Pfizer’s R&D projects target priority diseases. The other 36 R&D projects target other diseases in scope. Of the projects targeting priority diseases the focus is on lower respiratory tract infections (6 projects). Of the projects targeting other diseases in scope, the focus is on oncology (28).

16 R&D projects are in late-stage development that target either a priority disease (6) or address a public health need in LMICs (10). Evidence of access planning was in place for 69% of these projects; 4 targeting a priority disease and 7 addressing a public health need in LMICs.

PORTFOLIO as selected for analysis by the Index
Pfizer has 90 medicines and contraceptives in scope, 23 of which are on patent, and 5 vaccines. 61% of these medicines and contraceptives are on WHO’s EML (55). The off-patent medicines target mainly non-communicable diseases (NCDs) (49) such as cancer (26). Thirteen products target communicable diseases (CDs) such as tuberculosis (5). Three further products target the neglected tropical diseases soil-transmitted helminthiasis (2) and leishmaniasis. One further medicine targets maternal haemorrhage. The on-patent medicines mainly target NCDs such as cancer (13). In addition, five medicines target CDs such as lower respiratory tract infections (3) and HIV (2). Pfizer has four contraceptives in scope. Pfizer’s preventive vaccines (5) target the CDs meningitis (4) and pneumonia. Access strategies are assessed for 14 products on Pfizer’s portfolio – supranationally procured (4) or nationally procured HCP-administered (5) and self- administered products (5).

Breakdown of projects*

<table>
<thead>
<tr>
<th>Projects in the pipeline</th>
<th>Communicable</th>
<th>Neglected tropical</th>
<th>Maternal and neonatal</th>
<th>Non-communicable</th>
<th>Multiple categories</th>
</tr>
</thead>
<tbody>
<tr>
<td>58 projects</td>
<td>13</td>
<td>11</td>
<td>0</td>
<td>1</td>
<td>33</td>
</tr>
</tbody>
</table>

Breakdown of products

<table>
<thead>
<tr>
<th>Products on the market</th>
<th>Medicines on patent</th>
<th>Vaccines</th>
<th>Diagnostics</th>
</tr>
</thead>
<tbody>
<tr>
<td>WHO EML</td>
<td>5</td>
<td>50</td>
<td>0</td>
</tr>
<tr>
<td>WHO EDL</td>
<td>18</td>
<td>17</td>
<td>0</td>
</tr>
<tr>
<td>Other</td>
<td>23</td>
<td>67</td>
<td>5</td>
</tr>
</tbody>
</table>

*52 diseases and 21 product gaps in scope have been established as a priority by global health stakeholders. For other diseases/product gaps, the Index used a set of criteria to determine which projects in the pipeline offer a clear public health benefit to patients in LMICs. Projects in the clinical phase of development were included for this analysis.

**Neglected Tropical Diseases, while also communicable, are highlighted separately throughout the Index.

†Products included in the analysis were selected using a set of criteria determined by stakeholder consensus. See Appendix I for a full breakdown of the criteria.

‡Projects in the discovery phases and/or other drug development phases were not included in this breakdown.
**GOVERNANCE OF ACCESS**  
**RANK 5**  
**SCORE 4.12**

**Has an access-to-medicine strategy with measurable objectives, integrated within its overall corporate strategy.** Pfizer performs strongly. It has an access strategy integrated within its Purpose Blueprint. The strategy covers all therapeutic areas in which the company is involved, including rare diseases. The highest responsibility for access lies directly with the board, namely with the Corporate Governance and Sustainability Committee. It also established the Global Health Partnerships Business Unit.

**Provides evidence of financial and non-financial access-related incentives at executive level.** Pfizer performs strongly. It incentivises its senior executives and in-country managers to perform on access to medicine with financial and non-financial rewards. The CEO also has access-related incentives linked to the Purpose Blueprint goals, including improving access through partnerships.

**Publicly discloses outcomes of its access-to-medicine activities.** Pfizer performs strongly in transparency of access activities. It publicly discloses its commitment to global public health, measurable goals, objectives and targets for improving access to medicine in countries in scope. It consistently shares outcomes of its access-to-medicine activities, including its progress on SDG3-related targets.

**Has an average performance in responsible promotional practices.** Pfizer’s sales agents are not solely incentivised on sales volume targets, but behavioural components are also incorporated in their objectives. The company does not set incentives at the individual colleague level. It has a global policy on interactions with healthcare professionals, but does not publicly disclose information related to transfers of values to HCPs in countries in scope (e.g., payments for attending events or promotional activities), unless required by local regulations.

**RESEARCH & DEVELOPMENT**  
**RANK 7**  
**SCORE 2.73**

**Access planning processes encompass all projects in pipeline.** Pfizer has a structured process in place to develop access plans during R&D. The process is intended to be applied to all R&D projects for diseases in scope.

**An average-sized priority R&D pipeline compared to its peers, with access plans in place for 67% of the late-stage candidates.** Pfizer has 22 projects including six late-stage candidates in its pipeline that target a priority product gap. The company focuses mostly on lower respiratory tract infections. Of Pfizer’s seven late-stage candidates targeting a priority product gap, four have evidence of having an access plan in place. These plans range from plans to register products in Gavi-eligible countries and underpinning objectives and strategies to considering equitable pricing strategies. Notable, is the development of the preventive group B streptococcus vaccine for neonatal sepsis in partnership with BMSGF. Pending the achievement of development milestones, Pfizer intends to seek WHO pre-qualification to facilitate access in LMICs (inclusive of GAVI countries) and would explore pricing mechanisms and manufacturing options to ensure sufficient supply.

**Many projects address a public health need in LMICs, with 70% of the late-stage projects covered by access plans.** In this analysis, Pfizer has ten late-stage R&D projects that target a disease and/or product gap not yet established as a priority by global health stakeholders. These projects are all deemed by the Index to offer a clear public health benefit for people living in LMICs. Primarily, these projects have clinical trials in countries in scope. Most target cancer. Pfizer provides evidence of access plans for seven of these projects. These plans include commitments to register product in countries in scope and equitable pricing strategies for most of the projects.

**Public policy to ensure post-trial access; commits itself to registering trialled products.** Pfizer has a policy for ensuring post-trial access to treatments for clinical trial participants. This policy covers a subset of clinical trial participants who have a serious condition and the availability of alternative treatments. Once a product is approved, Pfizer commits itself to registering it in all countries where clinical trials for the product have taken place. This policy does not consider affordability for the wider population in the country where the trial(s) took place. Company reports that this may be addressed in specific situations.

**PRODUCT DELIVERY**  
**RANK 3**  
**SCORE 3.91**

**Public commitment not to enforce patents in countries in scope.** Pfizer newly publicly pledges not to enforce patents in least developed countries.

**Publicly discloses detailed information on patent status.** Like most of its peers, Pfizer publicly discloses the patent statuses for small molecules in scope via the Patent Information Database. It discloses the patent status of its entire small molecule on patent portfolio. This information is periodically updated and includes detailed information about patents, including filing date, grant number, grant date and jurisdiction.

**Shares many IP assets with third-party researchers.** Compared to its peers, Pfizer has newly shared many IP assets with third-party researchers developing products for diseases in scope. This includes eight IP assets shared with IMECC (inclusive of GAVI countries) and woulding the drug discovery initiative COVID-19 Therapeutics Accelerator launched by the Bill and Melinda Gates Foundation, Wellcome and Mastercard. Assets shared include compounds for screening.

**Has some compliance controls to ensure that governance efforts are not undermined by non-compliant or corrupt activities.** Pfizer has an average performance, demonstrating some of the components looked for by the Index: fraud-specific risk assessment, country risk-based assessment, audits (both internal and external, covering third parties and in all countries where it operates) and formal processes to ensure third-party compliance with company standards. It does not, however, demonstrate evidence of a continuous system to monitor activities, but has adopted a compliance monitoring & analytics approach in a selected number of countries in scope.

**Publicly supports the Doha Declaration on TRIPS and Public Health.** Pfizer publicly shares general support of the Doha Declaration on TRIPS and Public Health, but expressing reservations on its provisions, namely on the use of compulsory licensing. It may not always agree with its industry association positions on these and it states that participation does not necessarily mean agreement.
ment directly with the Medicines Patent Pool (MPP) for sutezolid, an investigational medicine for the treatment of tuberculosis.

No evidence of new products in scope filed for registration in the majority of high burden countries. Pfizer did not disclose evidence of filing any of its most recently registered products in more than half of the relevant top 10 high burden countries (disease-specific subset of countries with the highest burden of disease). Its most widely registered product, palbociclib (Ibrance®) for breast cancer is registered in 31 countries in scope.

Has access strategies for all supranationally procured products in scope for this analysis. Pfizer performs above average in securing access for its products procured supranationally. For the four products assessed in this category, the company demonstrated strategies both in countries eligible for supply from such procurers and in at least one non-eligible country.

Has access strategies for the majority of healthcare practitioner-administered products in scope of this analysis. Pfizer has an average performance in this area. The company provides examples of access strategies which consider affordability in both LMICs and LMICs for the five products assessed. The company falls short at providing examples for LICs. It makes efforts to reach additional patients using equitable pricing strategies. For example, in Nigeria, for a portfolio of oncology medicines, since 2017, the company, and its local partners Worldwide Commercial Ventures Limited and EMGE Resources, have an agreement with the Clinton Health Access Initiative and the American Cancer Society to increase affordability and access of those products, while simplifying the distribution system. Pfizer forecasts that in the year 2021 approximately 2000 patients in Nigeria will benefit from this program. Pfizer is able to provide evidence of how patient reach has been increased through the approaches used.

Has access strategies for the majority of self-administered products in scope of this analysis. Pfizer leads in this area. The company provides examples of access strategies which consider affordability in countries of all assessed income levels (UMIC, LMIC, LIC) for three of the five products assessed. It makes efforts to reach additional patients using both inter- and intra-country equitable pricing strategies and donations. Pfizer is able to provide evidence of how patient reach has been increased through the approaches used.

Three manufacturing capacity building initiatives meet all Good Practice Standards. Pfizer performs above average in this area. The company submitted the maximum of five initiatives, of which four met all criteria for inclusion. Three initiatives met all Good Practice Standards. The initiatives reflect Pfizer’s work with contract manufacturing organisations (CMOs) to build capacity in the areas of dosage form manufacturing, Good Manufacturing Practices (GMP) and Environment, Health and Safety (EHS) compliance. For its work with CMOs in Egypt and meeting GMPs, Pfizer did not demonstrate how it aimed for sustainability.

Four supply chain capacity building initiatives meet all Good Practice Standards. Pfizer performs above average in this area. The company submitted the maximum of five initiatives, which all met all criteria for inclusion. Four initiatives met all Good Practice Standards. Examples include:
- RB Program, training 603 pharmacists in Nigeria, Kenya and Ghana on counterfeit medicine.
- Vaccine Visibility System, tackling vaccine supply chain management challenges in the Gambia through a 2D barcoding open-source inventory management system. For this programme, Pfizer has partnered with PATH to conduct an impact assessment.
- For one initiative, training distributors in Ghana on replenishment planning, Pfizer did not demonstrate in what ways the initiative aims for sustainability.

Four health system strengthening initiatives meet all Good Practice Standards. Pfizer performs well in this area. The company submitted the maximum of five initiatives, which were all included for analysis and four initiatives met all Good Practice Standards. i.e. they address local needs, have local partners, mitigate risk of conflict of interest, are guided by clear goals and objectives, (plan to) measure outcomes, have a governance structure in place and aim for sustainability/integration in the local health system. For example, since 2016 it has trained 30 public health nurses and 139 midwives in Ghana with skills to screen newborns for sickle cell disease. For the Healthy Families, Health Futures initiative, Pfizer has partnered with the London School of Hygiene and Tropical Medicine to evaluate outcomes on access to immunisation and family planning products and services in five sub-Saharan African countries, of which the results are publicly available. For one initiative, the Global Health Fellows Program, Pfizer could not demonstrate how it aimed for sustainability/integration in the local health system.

Has not engaged in the development and implementation of inclusive business models. Compared to its peers, Pfizer performs relatively poorly when it comes to implementing scalable inclusive business models that aim to meet the access needs of populations at the base of the pyramid (which may include vulnerable populations) in countries in scope, with a long-term horizon.

The company has multiple mechanisms in place to ensure continuous supply in countries in scope of the Index. Pfizer performs well in this area, disclosing multiple strategies to ensure continuous supply in countries in scope. The company has a system in place to align demand and supply, providing monthly demand forecasts on the next 24-36 months. Where Pfizer has no presence, the company works together with supranational partners including UNICEF, Gavi and the Gates Foundation to forecast and manage supply. Pfizer’s standard processes include maintaining buffer stock for each stock keeping unit and internal API production.

Has a policy for reporting substandard and falsified (SF) medicines in countries in scope. Pfizer has a policy for reporting SF medicines to the relevant national health authorities, but does not specify time frames. Pfizer reports that it follows locally mandated time frames. It does not distinguish reporting time frames for cases which only require visual inspection to be confirmed.

Donates in response to an expressed need and monitors delivery to end user. Pfizer reports that it ensures ad hoc donations are carried out in response to an expressed need and it monitors the delivery until the end user. For example, it donated amlodipine besylate/atorvastatin calcium (Caduet®) for hypertension to Uganda in 2019 in response to a humanitarian crisis.

Publicly commits itself to achieving elimination, eradication or control goals in its structured donation programme for NTDs. One structured donation programme for NTDs was included for analysis where elimination, eradication or control goals are possible. Pfizer publicly commits itself to eliminating trachoma by donating azithromycin (Zithromax®) from 1998 to 2025 in 29 countries. Moreover, it is engaged in another structured donation programme: the Max Access Solution programme whereby it has been donating adivib (Inlyta®), bosutinib (Bosulfin®), crizotinib (Xalkori®) and tamsulosin (Toriise®) for cancer in 22 countries since 2015.